



**CITY OF KNOXVILLE**  
B I L L H A S L A M , M A Y O R

**FINAL**

**2009 Action Plan**

Community Development Block Grant (CDBG)  
HOME Investment Partnership Act  
Emergency Shelter Grant (ESG)

Program Year:  
July 1, 2009 – June 30, 2010

**Submitted – May 15, 2009**

City of Knoxville  
Community Development Department  
400 Main Street – Fifth Floor  
Knoxville, TN 37902  
(865) 215-2120





# Fifth Program Year Action Plan

The CPMP Fifth Annual Action Plan includes the [SF 424](#) and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

## Narrative Responses

### GENERAL

#### Executive Summary

The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

Program Year 5 Action Plan Executive Summary:

#### EXECUTIVE SUMMARY

The City of Knoxville's Community Development Department is pleased to present this Annual Action Plan for the use of Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and Emergency Shelter Grant (ESG) funds during the program year that begins July 1, 2009.

With this action plan, the Community Development Department is seeking to bring focus on the six priorities identified in the five year Consolidated Plan: neighborhood stabilization, housing rehabilitation, home ownership, assistance to the homeless, job creation, and crime prevention and safety. Emphasis will be placed on achieving results in these areas, which will generate greater impact from federal funding sources and will better leverage other resources, both from within city government and from partner agencies and organizations in the community.

Community Development receives city general funds for initiatives such as the chronic problem properties, façade improvements, and property acquisition programs – all of which complement or enhance activities funded through this plan. These initiatives help improve the built environment in the low- to moderate-income neighborhoods we serve.

By leveraging the work and resources of partner agencies such as Knoxville's Community Development Corporation (KCDC), Knoxville-Knox County Community Action Committee (CAC), Community Housing Development Organizations (CHDOs), and others, we will help stabilize and improve the housing stock in our target neighborhoods, increase home ownership, and strengthen the viability of these communities.

By targeting homeless assistance dollars to support the goals of the Ten Year Plan to End Chronic Homelessness, these resources will reinforce that plan's emphasis on housing and long-term solutions.

This plan focuses on the Community Development Department's core competencies, the leveraging of resources, and coordination with other city departments and partner agencies. This pro-active approach will help us achieve the goals of the Consolidated Plan as well as the Mayor's goals of building stronger and safer neighborhoods to make Knoxville a great place to live, work, and raise a family.

**Plan Resources**

**The City has not been notified of actual funding amounts for PY 2009-2010 so the amounts contained in this document are approximate and subject to change.** Based on last year's funding the City anticipates receiving the following direct HUD funding during PY 2009-10 to address priority needs and objectives identified in the strategic plan:

Grant Program	Fund Type	Amount
CDBG	2009 Allocation	\$1,879,844
	Carryover/Reprogrammed Funds	0
	Projected Program Income	\$100,000
	<b>Total CDBG</b>	<b>\$1,979,844</b>
HOME	2009 Allocation	\$1,399,715
	2009 ADDI Allocation	\$0
	Carryover/Reprogrammed Funds	\$500,000
	Projected Program Income	\$350,000
	<b>Total HOME</b>	<b>\$2,249,715</b>
ESG	2009 Allocation	\$82,740
Fair Housing Assistance Program	Projected 2009 Allocation	\$40,000
<b>Total Plan Resources</b>		<b>\$4,352,299</b>

**Plan Priorities Objectives and Outcomes**

This is the fifth Annual Action Plan for the 2005 - 2010 Consolidated Plan for Housing and Community Development. The five-year strategic plan set out priorities, strategies and specific objectives to be met over the duration of the plan. The specific objectives detailed in the plan follow the priorities and are consistent with the Community Development Department goals and objectives for the City of Knoxville's Performance Measurement System. Since the Consolidated Plan went into effect, the U. S. Department of Housing and Urban Development (HUD) has implemented new requirements that define standard objectives, outcome measures, and performance indicators to be used by its CDBG, HOME and ESG grantees.

The three objectives are: Suitable Living Environment, Decent Housing, and Creating Economic Opportunities. Three outcome categories are Availability/Accessibility, Affordability, and Sustainability: Promoting Livable or Viable Communities.

For the 2009 Annual Plan, we have updated Table 2C, Summary of Specific Objectives, from the five year Consolidated Plan to show how each specific objective in the original table relates to the new HUD performance measures. The revised Table 2C is attached as Appendix A.

The City plans to allocate its 2009 CDBG, HOME and ESG funds among its priorities as follows: (The amounts below are approximate and subject to change when the actual funding allocations are released by HUD)

Neighborhood Stabilization - \$431,844 in CDBG funds for neighborhood stabilization projects including funding for the East Tennessee Community Design Center to provide technical assistance; and to Community and Economic Development projects including property acquisition activities.

Housing Rehabilitation - \$663,000 in CDBG and \$1,335,000 in HOME funds for housing rehabilitation projects and programs including the Community Development Department's owner-occupied and rental rehabilitation programs, funding of the Knoxville/Knox County Community Action Committee (CAC) and Neighborhood Housing, Inc. to perform minor and emergency home repairs, and to the DisAbility Resource Center to provide needed ramps and rails to homes of persons with disabilities.

Homeownership - \$50,000 in CHDO Operating funds for homebuyer and credit counseling; \$300,000 in regular HOME funds to provide downpayment assistance for low/mod income homebuyers. \$390,715 in HOME funds will be for homeownership opportunities provided through homes constructed by Community Housing Development Organizations (CHDOs).

Assistance to the Homeless - \$82,740 in ESG funds will provide assistance to the homeless. Homeless services providers that will provide services or make shelter improvements with this funding include the CAC Homeward Bound Program, Child and Family Tennessee for the Family Crisis Center, Volunteer Ministry Center Day Shelter, the YWCA Transitional Shelter Residence Program, Knoxville Area Rescue Ministries Crossroads Welcome Center and Salvation Army Family Center. CDBG funds in the amount of \$100,000 will be used to support Housing First projects that support the Mayors' Ten Year Plan to End Chronic Homelessness. \$10,000 in CDBG funds will support the University of Tennessee Homeless Management Information System (HMIS).

Fair Housing - The Community Development Department estimates it will receive \$40,000 in Fair Housing Assistance program funds for its Fair Housing Assistance Program. These funds are a reimbursement for the investigation and closure of fair housing cases handled during the current fiscal year plus an administrative and training payment. Additional costs will be supplemented with CDBG administrative funds.

Administration and Staffing - \$395,000 in CDBG funds and \$174,000 in HOME funds are allocated for planning and administration expenses. In addition, \$380,000 in CDBG funds is allocated for staffing and operations for City CD administered housing programs.

Additional detail on the proposed projects is provided in Table 3 A, Summary of Specific Annual Objectives PY 2009-2010. This table categorizes the projects by specific objective and outcome, provides a brief description of each project, the amount and source of year

2009 funding, primary performance indicators and proposed accomplishments. Additional performance indicators identified by HUD's Integrated Disbursement and Information System (IDIS) based on the nature of the activity will be reported into IDIS for annual reporting.

### **2009 Reserve Activities**

Reserve activities are potential projects that the City does not currently have enough resources to fund or current projects that are underfunded. Should funds become available during the program year, additional funding may be added to activities already included in the Annual Plan. Whether funds will become available depends on budgeted activity progress, program income received, prior year project completion, and other factors.

If CDBG funds become available, activity selection will be dependent upon the public service cap, amount of funding available, and the status of other active projects.

If HOME funds become available, activity selection will be dependent upon Community Housing Development Organization (CHDO) project progress and waiting list activity for City-operated housing rehabilitation and homeownership assistance programs.

If selected for funding, reserve activities may receive all or a portion of the funding that was initially requested. Funding a reserve activity will not be considered a substantial change to the Plan and will not necessitate a Consolidated Plan amendment unless there is a switch of funding from a different eligibility category or if the change triggers the criteria for substantial change described in the City's Citizen Participation Plan. A substantial change will be considered:

- a) A change in the national objective met by an activity;
- b) A change in target area;
- c) For non-housing activities, a change of 10% or \$100,000, whichever is greater, in the amount to be expended on the activity; or
- d) For housing activities, a change of 10% or \$200,000, whichever is greater, in the amount of funds to be made available for housing activities. Changes in location for housing activities will be considered a substantial change only if there is a waiting list in the area from which funds are transferred that would require an amount of funding in excess of the amount remaining budgeted for the area.

### **Evaluation of Past Performance**

The City is close to the end of the fourth year of its five-year Consolidated Plan. Each year the Community Development Department prepares a Consolidated Annual Performance and Evaluation Report (CAPER) to report on progress for Consolidated Plan Goals. Table 2 C (see Appendix A) has been updated to show progress on goals through June 2008 as reported in the 2007-2008 CAPER.

In carrying out its Consolidated Plan, the City has made considerable progress toward meeting priority needs. Many of the activities performed contribute to stabilizing the City's lower income neighborhoods. Improvements to housing, sidewalks, commercial structures,

and parks improve the appearance of neighborhoods and create a more appealing environment. Acquisition of blighted and deteriorated properties for redevelopment contributes to neighborhood stabilization and a decrease in crime. New housing development and homeownership programs promote pride in ownership and long term resident stability. Renovations to non-profit facilities help agencies provide their clients with child care, senior services, and other services that contribute to family stability.

Renovations were performed on both owner occupied and rental housing by the City of Knoxville and its partner nonprofit agencies. The scope of the renovations varied depending on the program and household's needs, with improvements ranging from emergency health and safety improvements to full scale renovations or replacement housing construction for homes too badly deteriorated to benefit from rehabilitation. The City of Knoxville has committed to Energy Star certification on all new replacement homes and CHDO constructed homes.

Homeownership opportunities affordable to low and moderate income households were increased through downpayment assistance and new housing construction. Property acquisition contributes to future homeownership by clearing property titles and offering lots for sale.

The CDBG Façade program stabilized and enhanced commercial neighborhoods as well as contributed to the creation of jobs in the City. Job training and placement is also funded by two Empowerment Zone programs. Redevelopment plan implementation, Empowerment Zone programs, and property acquisition also substantially contribute to job creation by facilitating new business growth and economic opportunities.

Housing, supportive services, and case management were provided to homeless persons through several of the City's partner agencies. Assistance varied according to need and agency, with projects providing emergency, transitional, and permanent support.

**Table 3 A Summary of Specific Annual Objectives PY 2009-2010**  
**Grantee Name: City of Knoxville, Tennessee**

Specific Obj.#	Con Plan Project #	Consolidated Plan Specific Objective & Planned Activities for 2009		Funds	Amount	Performance Indicators	Proposed Accomplishments 2009
<b>Availability/Accessibility of Decent Housing (DH-1)</b>							
<b>DH-1 Specific Objective: Decent Housing Outcome: Availability/Accessibility</b>							
<b>DH1.1</b>	Priority Need Category: Housing Rehabilitation / Low-moderate income homeowners						
		City of Knoxville - Owner Occupied Housing Rehabilitation	Rehabilitation of single-family homes owned by LMI persons. Improvements focus on code violations and health/safety issues.	CDBG HOME	\$182,500 \$1,335,000	Number of units rehabilitated or improved	40
<b>DH1.2</b>	Priority Need Category: Housing Rehabilitation / Low-moderate income renters						
		City of Knoxville - Rental Housing Rehabilitation	Rehabilitation of units occupied by LMI renters. May be focused on Ten Year Plan activities to produce permanent supportive housing	CDBG	\$100,000	Number of units rehabilitated Number affordable	25 25
<b>DH1.3</b>	Priority Need Category: Home Ownership/ Low-moderate income renters						
		Community Housing Development Organizations (CHDO) Projects	HOME eligible projects that will be performed by locally designated CHDOs.	HOME	\$390,715	Number of affordable housing units constructed	10

Specific Obj.#	ConPlan Project #	Consolidated Plan Specific Objective & Planned Activities for 2009	Fund	Amount	Performance Indicators	Proposed Accomplishments 2009
<b>DH1.4</b>	Priority Need Category: Housing Rehabilitation / Low-moderate income homeowners					
		CAC – Emergency and Minor Home Repair	Repair of emergency health and safety conditions in owner-occupied homes in the city of Knoxville. Repairs will be limited to \$5,000 and will typically include sewer repairs, electrical, plumbing, HVAC, accessibility modifications, and roof repair.	CDBG	\$400,000	Number of units rehabilitated or improved  150
		Neighborhood Housing Inc. - Minor Home Repair Program	Operation Backyard provides free minor home repairs to 30 applicants primarily through volunteers and typically includes roofing, accessibility features, window repair, and energy efficiency improvements.	CDBG	\$68,500	Number of units rehabilitated or improved  30
		DisAbility Resource Center – Ramps and Rails	Construction of ramps and other home modifications for people who are suddenly faced with severe limitations and require basic home modifications for accessibility	CDBG	\$12,000	Number of units rehabilitated or improved  12
<b>DH1.5</b>	Priority Need Category: Fair Housing/ Planning - Administration					
		City of Knoxville - Fair Housing Assistance Program	Program investigates housing discrimination complaints, performs community education and outreach, and performs discrimination testing.	FHAP	\$40,000	Number of investigations Number of training events Number of persons assisted/trained 12 5 200



Specific Obj.#	Con Plan Project #	Consolidated Plan Specific Objective & Planned Activities for 2009	Fund	Amount	Performance Indicators	Proposed Accomplishments 2009
<b>DH1.6</b>	Priority Need Category: Homeless and chronic homeless population					
		CAC - Homeward Bound	Place homeless persons into permanent housing through assistance such as rent and utility deposits. Homeless prevention through rent payments.	ESG	\$10,000	Number of homeless households placed in permanent housing 30 Number of persons prevented from becoming homeless 10
		Child & Family Tennessee - Family Crisis Center	Shelter, transitional housing and counseling for homeless domestic violence victims.	ESG	\$13,500	Number of homeless persons assisted through counseling 200
		Knoxville Area Rescue Ministry – Crossroads Welcome Center	Single point of contact for multi-agency collaboration to assist the homeless to initiate the process of change in homeless situation.	ESG	\$12,600	Number of homeless persons assisted through entry to residential recovery programs 192
		University of Tennessee - Homeless Management Information System (HMIS)	Staff salaries for training & technical assistance to homeless shelters & agencies participating in this computerized database.	CDBG	\$10,000	Number of homeless persons with new or improved access to services 3000 Number of partner agencies assisted w/ training and support 12
		Volunteer Ministry Center - Day Shelter / Housing First	Funding for case management and operations and maintenance of the Day Resource Center with an emphasis on housing placement and prevention.	ESG	\$27,018	Number of homeless persons provided day resource services 1280 Number placed in housing 56
		YWCA - Transitional Shelter Residence Program	Counseling and case management for residents of transitional housing facility; funds for a portion of the utilities; flooring replacement for 2 rooms	ESG	\$12,000	Number of homeless women receiving shelter/essential services. 158 Number of units improved 2

Specific Obj.#	ConPlan Project #	Consolidated Plan Specific Objective & Planned Activities for 2009		Fund	Amount	Performance Indicators	Proposed Accomplishments 2009
		Salvation Army – Shafer Family Center	Case management for families and children residing at the Shafer Center to promote transition to permanent housing	ESG	\$7,622	Number of homeless families receiving case management	150
<b>Affordability of Decent Housing (DH-2)</b>							
<b>DH-2 Specific Objective: Decent Housing      Outcome: Affordability</b>							
<b>DH2.1</b>	Priority Need Category: Homeownership / Low-moderate income renters						
		Community Housing Development Organizations	CHDO operating funds for homebuyer and credit counseling for LMI city residents.	HOME	\$50,000	Number of persons assisted with homeownership training and services	40
		City of Knoxville - Downpayment Initiative	Downpayment assistance for income eligible and first-time homebuyers.	HOME	\$300,000	Number of LMI homebuyers	20

Specific Obj.#	Con Plan Project #	Consolidated Plan Specific Objective & Planned Activities for 2009	Fund	Amount	Performance Indicators	Proposed Accomplishments 2009
<b>Sustainability of Suitable Living Environment (SL-3)</b>						
<b>SL-3 Specific Objective: Suitable Living Environment Outcome: Sustainability</b>						
<b>SL3.1</b>	Priority Need Category: Neighborhood Stabilization / Neighborhood Facilities					
		East TN Community Design Center - CDBG Technical Assistance	Technical assistance & capacity building services to organizations for housing, infrastructure, and other improvements.	CDBG	\$72,000	Number of organizations assisted with Technical Assistance  25
<b>SL3.2</b>	Priority Need Category: Neighborhood Stabilization / Public Facilities & Infrastructure					
		City of Knoxville - Community & Economic Development Projects	Unbudgeted funds for unexpected high priority projects or project overruns.	CDBG	\$34,844	Number of neighborhood improvements or redevelopment plans initiated  N/A
<b>SL3.3</b>	Priority Need Category: Neighborhood Stabilization / Low-moderate income renters or homeowners					
		City of Knoxville - Property Acquisition	Acquisition and disposition of blighted properties for use as affordable housing and/or commercial development in redevelopment or other target areas	CDBG	\$325,000	Number of parcels acquired 8 Number of units rehabilitated or constructed 8 Number of new homeowners 8

Specific Obj.#	Con Plan Project #	Consolidated Plan Specific Objective & Planned Activities for 2009	Fund	Amount	Performance Indicators	Proposed Accomplishments 2009	
<b>Administration and Program Staffing</b>							
		City of Knoxville – CDBG Administration	Staffing and other administrative expenses necessary to operate the City's CDBG, and FHAP programs. Capped at 20% of funding plus program income.	CDBG	\$395,000	See individual activities	
		City of Knoxville - Housing Rehabilitation Administration	Administrative expenses necessary to operate the City's owner occupied and rental housing rehabilitation programs.	CDBG	\$380,000	See individual activities	
		City of Knoxville – HOME Administration	Staffing and other administrative expenses necessary to operate the City's HOME programs. Capped at 10% of funding plus program income.	HOME	\$174,000	See individual activities	

## General Questions

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.
2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) during the next year and the rationale for assigning the priorities.
3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.
4. Identify the federal, state, and local resources expected to be made available to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.

Program Year 5 Action Plan General Questions response:

### Geographic Distribution of Funding

In December 1998, a portion of the City received a ten-year federal designation as a Round II Empowerment Zone (EZ). The EZ consists of a 16 square mile area plus three developable sites adjacent to the Zone.

Per 2000 Census data, the Empowerment Zone contains approximately 44,237 residents and 23,487 housing units. The population of the Empowerment Zone is 42% minority, compared to a 20% minority population in the City as a whole. Median household income in the Zone is approximately 42% less than the citywide average (\$15,939 compared to \$27,492).

As part of its leverage commitment to the U.S. Department of Housing and Urban Development, the City of Knoxville pledged 90% of its CDBG and HOME funding during the EZ designation to affordable housing, neighborhood improvements, and economic development initiatives within the Zone.

During the first years of the Empowerment Zone designation, comprehensive revitalization efforts were undertaken in Mechanicsville and the Vestal Bicentennial Neighborhood. Work under the Five Points redevelopment plan has been underway for the past few years, with commercial development completed and infill housing still in progress.

A redevelopment plan was initiated for Lonsdale in Spring 2005, with City Council approval in November 2005. This is a focus area for commercial development, housing improvements, and other revitalization activities in 2009 and future years.

A redevelopment plan was approved for the Vestal Business District on January 16, 2007. This area will be the focus of commercial development and other improvements in 2009 and future years.

In compliance with commitments made during the EZ designation process and the neighborhood revitalization area strategy identified in the *2005-2010 Consolidated Plan*, the use of CDBG and HOME funds in 2009 for the City's owner occupied rehabilitation program will be targeted to the EZ. Housing programs implemented by subrecipients and CHDOs are on a citywide basis. Improved infrastructure and facilities that are physically located within the EZ will also be available for use by the City's general population.

ESG funding will not be targeted for the redevelopment areas. However, as many of the agencies providing services to homeless individuals or families operate in central Empowerment Zone locations, it is anticipated that most of this year's ESG funding will be used within the EZ.

Maps showing the Empowerment Zone and redevelopment areas are located in Appendix C.

### **Addressing Obstacles to Meeting Under-Served Needs**

The City of Knoxville will continue to support non-profit agencies, the local housing authority, homeless providers, and special needs groups in their goal to meet the underserved persons of the community.

### **Federal, State and Local Resources**

#### HUD Funding to the City of Knoxville

The City receives several types of funding from the U.S. Department of Housing and Urban Development. Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Shelter Grant (ESG) program funds are all received on an entitlement basis. These are the three primary sources of funds the City will use to carry out the activities covered by the Consolidated Annual Action Plan, which is the official application document for these programs. The City also receives Fair Housing Assistance Program funds (FHAP) from HUD on an annual basis.

- **CDBG** - The primary goal of the Community Development Block Grant program is to provide decent housing, a suitable living environment, and expanded economic opportunities for low and moderate-income persons or neighborhoods. Effective February 2008, a four-person household earning up to \$46,800 per year could qualify for programs funded with CDBG monies. Until the 2009 income limits are released, the City of Knoxville will use the 2008 income limits. For 2009, CDBG eligible activities for subrecipients are focused on the provision of the following essential services; housing improvement projects, design technical assistance to non-profit and community organizations, and management of the homeless information and tracking system. CDBG projects that are implemented by the City focus on neighborhood stabilization and crime prevention through acquisition and disposition of blighted property. Neighborhood stabilization is further strengthened by owner occupied rehabilitation. The City is will receive a 2009 CDBG allocation of \$1,879,844.
- **ESG** - Emergency Shelter Grant funding may only be used to assist persons who are homeless. It is typically used to operate and improve emergency shelters, provide essential services, and conduct activities that will help prevent future homelessness. Activities in this funding source are strongly tied to the *Knoxville-Knox County Ten Year Plan to End Chronic Homelessness*. The City awards ESG funds to subgrantees through a request for proposal process. Agencies using ESG funds through the City are required to provide a 1:1 match in the form of cash or in-kind donations. The City expects to receive a 2008 ESG allocation of \$82,740.

- **HOME** - Use of HOME Investment Partnerships Act funding is restricted to housing activities, including housing rehabilitation, new construction, homeownership assistance, and rental assistance. The program uses the same maximum income limits as the CDBG program, although additional restrictions may apply depending on the type of project. At least 15% of each year's HOME allocation is set aside for use by Community Housing Development Organizations (CHDOs). These are non-profit agencies that are required to maintain strong Board representation and input from the low/moderate income communities they serve. There are currently four (4) CHDOs in Knoxville. The City's 2009 HOME allocation is \$1,399,715.

The **American Dream Downpayment Initiative (ADDI)** program is a restricted form of HOME funding that provides first-time homebuyers with downpayment assistance. Funds are used to purchase single-family homes that will serve as the household's primary residence. There are \$0 in HOME ADDI funds for the 2009-10 program year.

- **Program Income** - The City receives program income from HOME and CDBG activities in the form of loan repayments from persons who have received CDBG or HOME funded loans for downpayment, housing rehabilitation, or similar assistance and from sales proceeds from acquisition and disposition activities. These monies are turned around and put back into further loans or other HOME/CDBG eligible activities to benefit the community. The City projects \$100,000 CDBG and \$350,000 HOME program income for 2009.
- **Carryover/Reprogrammed Funds** - The City is reprogramming prior year funds that will not be committed as of the end of the 2008-2009 program year to fund new projects. This is prior year funding that is available because of project cancellation, projects that required less than the budgeted amount for completion, or when alternate funding sources were made available for the project. Reallocated funds available in 2009 include \$0 for CDBG and \$500,000 for HOME.
- **Fair Housing Assistance Program (FHAP)** - FHAP funding is received because the City's Fair Housing Ordinance has been determined substantially equivalent to the federal Fair Housing Act. Because of this, the City is able to investigate housing discrimination complaints, conduct outreach and education for citizens and housing practitioners, and coordinate discrimination testing. Anticipated FHAP funding for 2009 is \$40,000 based on the number of cases closed during the 2008-2009 fiscal year.
- **Empowerment Zone (EZ)** - EZ funding is used for revitalization and economic development efforts within the EZ. Funds have been used for new business start-up loans, job training, commercial development, and a variety of other projects. Tax incentives such as Brownfields Tax Credits, Qualified Zone Academy Bonds and Work Opportunity Tax Credits are also available in the EZ. Approximately \$25.6 million in EZ funding has been allocated to Knoxville since its Empowerment Zone designation. No additional funding is anticipated during the 2009 fiscal year.
- **Neighborhood Stabilization Program (NSP)** – NSP-1 funds, as part of the Housing and Economic Recovery Act of 2008, in the amount of \$2,735,980 have been allocated to the City of Knoxville to be used for a number of projects focused on abandoned, foreclosed and blighted properties. This plan was submitted and approved by HUD as a substantial amendment to the 2008-2009 Annual Action Plan. The City will also apply for additional NSP funds from The Tennessee Housing Development Agency for the same eligible activities.

- **American Reinvestment and Recovery Act** – The City anticipates receiving additional CDBG funds in the amount of \$504,654 as a result of the ARRA. Projects to be funded will be CDBG eligible and track job creation. Additionally, the City anticipates receiving \$771,000 in Homeless Prevention funds which will be focused on activities to assist families and individuals to prevent homelessness. The regulations for the ARRA funds have not been released at this time.
- 2009 Action Plan Funding Summary:  
The City has been notified of the funding available for FY 2009-2010 as shown below.

<b>Grant Program</b>	<b>Fund Type</b>	<b>Amount</b>
CDBG	2009 Allocation	\$1,879,844
	Carryover/Reprogrammed Funds	0
	Projected Program Income	100,000
	<b>Total CDBG</b>	<b>\$1,979,844</b>
HOME	2009 Allocation	\$1,399,715
	2009 ADDI Allocation	\$0
	Carryover/Reprogrammed Funds	\$500,000
	Projected Program Income	\$350,000
	<b>Total HOME</b>	<b>\$2,249,715</b>
ESG	2009 Allocation	\$82,740
Fair Housing Assistance Program	Projected 2009 Allocation	\$40,000
<b>Total Plan Resources</b>		<b>\$4,352,299</b>

Other Resources

This section describes additional funds available to the City for carrying out Consolidated Plan activities described in this Plan as well as other resources available to the community for activities that meet Consolidated Plan priorities and objectives.

Local Funds:

- City of Knoxville General Fund monies are used for administrative expenses and capital programs that further the objectives of the Community Development Department. General and Capital funds have not yet been allocated for FY 2009-2010. In FY 2008-2009 Capital funds were received for accessibility modifications, chronic problem property remediation, commercial façade improvements, blighted property acquisition, sidewalk repairs adjacent to façade projects, and infill housing in the 5-Points redevelopment area. This draft plan will be updated with the FY 09-10 funding amounts and projects if approved by City Council prior to submission of this plan to HUD.
- Sales proceeds and program income are received from closed out grants, including the HOPE 3 for Homeownership Program, and the State of Tennessee HOUSE Program.



These funds are used to assist with low/moderate income housing costs, and are also used as match for the HOME program.

- The Affordable Housing Trust Fund, managed by the East Tennessee Foundation, supports homeownership opportunities and the production, preservation, and rehabilitation of housing for lower income households. This program began with a Demonstration Fund that received monies from the City of Knoxville and Knoxville's Community Development Corporation. A permanent Trust Fund was established in 1997, and the City of Knoxville makes an annual contribution. For FY 2008-09, the City allocated \$323,000 general fund dollars to the fund. For-profit and non-profit entities are eligible to apply, and must show evidence of community participation in planning the project and support for the application.

#### Other HUD Funds:

- HUD's Property Disposition Program provides discount priced houses that the City is able to purchase, renovate, and sell to lower income homebuyers through the HOPE 3 Program.
- Knoxville's Community Development Corporation (KCDC) applied to use HUD Replacement Housing Funds to construct 12 duplexes to be occupied by elderly families in the Park City community. The leverage for this program comes from City capital funds and \$25,000 in HOUSE program income for FY 2009-10.
- HUD provides Section 8 Funds to KCDC to administer a rental assistance program. KCDC administers three types of Housing Choice Vouchers:
  - Tenant-based Housing Choice Vouchers pay a portion of the rent for participants in affordable privately-owned rental housing.
  - Mainstream Housing Choice Vouchers enable a participant with disabilities, or a family that includes a person with disabilities, to lease affordable housing of their choice in the private market. Assistance is provided to help with the difficulties in locating suitable and accessible housing.
  - Homeownership Housing Choice Vouchers pay a portion of the monthly mortgage for participants that meet the program eligibility guidelines.
- Continuum of Care funding is HUD funding that is provided to assist homeless persons. The City coordinates this application process, which covers three programs: Supportive Housing, Shelter Plus Care and Moderate Rehabilitation for Single Room Occupancy Housing. Grants are made through a national competition. Knoxville submits a consolidated application, which includes a single Continuum of Care application and requests from local nonprofit homeless service providers. For fiscal year 2008, grants totaling \$1,193,406 were awarded to agencies in Knoxville and Knox County. The 2009 Notice of Funding Availability has not been released at this time. This is a primary source of funding for implementing programs to address the *2005-2010 Consolidated Plan* priority of reducing homelessness.
- The Section 202 program helps expand the supply of affordable housing with supportive services for the elderly. It provides very low-income elderly with options that allow them to live independently but in an environment that provides support activities such as cleaning, cooking, transportation, etc. The program is similar to Supportive Housing for Persons with Disabilities (Section 811). HUD provides interest-free capital advances to private, nonprofit sponsors to finance the development of supportive housing for the elderly. The capital advance does not have to be repaid as long as the project serves

very low-income elderly persons for 40 years. Project rental assistance funds are provided to cover the difference between the HUD-approved operating cost for the project and the tenants' contribution towards rent. Project rental assistance contracts are approved initially for 5 years and are renewable based on the availability of funds.

- Section 811 Special Needs Housing program allows persons with disabilities to live as independently as possible in the community by increasing the supply of rental housing with the availability of supportive services. The program also provides project rental assistance, which covers the difference between the HUD-approved operating costs of the project and the tenants' contribution toward rent. The program is similar to Supportive Housing for the Elderly (Section 202).
- Healthy Homes Lead Hazard Control Programs assist states, Native American Tribes, and local governments in undertaking comprehensive programs to identify and control lead-based paint hazards in privately owned housing for rental or owner-occupants. Also, the Operation Lead Elimination Action Program (LEAP) provides grants to private sector and nonprofit organizations to leverage funds for addressing lead hazards in privately owned housing units and eliminating lead poisoning as a major public health threat to young children. Currently, Middle Tennessee State University is a recipient of a LEAP grant which offers assistance in addressing lead hazards throughout the State. The Knoxville Empowerment Zone is one of the targeted areas.
- Brownfields Economic Development Initiative (BEDI) Grants target Economic Development Initiative funds to brownfields projects. BEDI grants are made to local governments for use in supporting brownfield redevelopment activities and projects financed in whole or in part with Section 108 loan guarantees.

#### Other Federal or State Funds:

- The Low-Income Housing Tax Credit is a credit against federal income tax liability each year for 10 years for owners and investors in low-income rental housing. Developers submit an application for a tax credit allocation to Tennessee Housing Development Agency (THDA). States can allocate tax credits equal to a total of \$1.80, plus the cost of living adjustment specified in Section 42(h)(3)(H) x Tennessee's population. For Tennessee, this provides approximately \$10 million in tax credits each year. Developments with tax-exempt financing can receive tax credits outside of the state allocation limit. At least ten percent of total credits in each state can only be allocated to non-profit organizations.
- THDA Homeownership Mortgage Programs: The Tennessee Housing Development Agency administers reduced interest rate mortgage financing programs for first-time homebuyers. The program is limited to very low, low and moderate-income households by income and sales price. Currently three programs are under their homeowner ownership mortgage program including Great Rate, Great Advantage, and Great Start. THDA also offers second mortgages for down payment and closing costs assistance. Local lenders take the applications for approval and funding.
- Federal Historic Preservation Tax Incentives are available for buildings listed in the *National Register of Historic Places* or located in certain historic districts that are substantially rehabilitated for income-producing purposes according to standards set by the Secretary of the Interior.
- New Markets Tax Credit (NMTC): Enacted by Congress in December 2000, the NMTC program authorized tax credits for the financing of economic development in low-income

communities. The tax credits are available to investors in community development entities that will use the proceeds to make loans and investments in businesses located in low-income communities. The credits can bridge financing gaps; create new partnerships among investors, communities, businesses, and government; and generate jobs, services and revitalization in distressed areas, in much the same way that LIHTC's did for affordable housing.

### Leveraged/Private Funds

Several programs operated by the City encourage or require leveraging of private resources.

- The Owner Occupied Housing Rehabilitation program may combine CDBG or HOME funds with private lender funds to complete rehabilitation work.
- The Rental Rehabilitation program provides gap financing, with property owners borrowing an amount that is financially feasible from a private lender.
- The American Dream Downpayment Initiative program provides downpayment assistance. The primary mortgage is secured by the homebuyer from a private lender.
- The City's Façade Improvement program requires that participants provide 20% matching funds to expenses paid by the City.
- The Homemakers program leverages the cost of development. The City acquires the property, which may be sold at a discount. In most cases, the total development cost comes from private sources.
- Empowerment Zone and other large improvement projects frequently require a variety of resources, including City general funds, County funds, private funding, and in-kind donations.
- ESG funds require subgrantees to provide a 1:1 match in the form of cash or in-kind donations.

## **Managing the Process**

1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.
2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.
3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.

Program Year 5 Action Plan Managing the Process response:

### **Lead Agency and Purpose**

The lead agency responsible for the development of the City's Consolidated Plan for Housing and Community Development is the City of Knoxville Community Development Department. The jurisdiction of the Consolidated Plan is the City limits of Knoxville. The Consolidated Plan is a 5-year plan to address the needs of lower income neighborhoods and lower income

residents of Knoxville. An element of the Consolidated Plan is its emphasis on citizen participation and the collaborative nature of the process. The City of Knoxville uses the input from its citizens and its community development partners to identify needs, develop strategies for addressing the needs, and undertake specific actions consistent with those strategies.

The U.S. Department of Housing and Urban Development requires that cities complete a Consolidated Plan in order to receive CDBG, HOME, and ESG funding. The Consolidated Plan has a number of key components:

- Analysis of the current housing market.
- Assessment of local housing needs, including housing for the homeless, people with special needs, and affordable housing.
- Assessment of general community development needs, including services, infrastructure, and historic preservation.
- Input and participation from local citizens and agencies.
- Prioritized list of needs based on the assessments, housing market analysis, and community input.
- Strategy for selecting projects and addressing priority needs during five year period.

The current *Consolidated Plan* covers the period from July 2005 through June 2010. It is updated on an annual basis with a specific description of how the City will use its strategies to address community needs. The *2009 Annual Action Plan* is the fifth annual update. The entire 2005-2010 Consolidated Plan can be viewed at:  
<http://www.cityofknoxville.org/development/consolidated.asp>.

The *2009 Action Plan* describes how the City of Knoxville intends to use the Community Development Block Grant (CDBG), HOME Investment Partnerships Act (HOME), and Emergency Shelter Grant (ESG) funding that will be provided by the U.S. Department of Housing and Urban Development for the year beginning July 1, 2009.

The projects outlined in this document are intended to enhance the quality of life in Knoxville by improving housing, services, and economic opportunities for local residents. These projects will be carried out to meet the City of Knoxville and Community Development Department's goals as well as the City's strategy to address the community development needs identified in its *2005-2010 Consolidated Plan*.

## **City of Knoxville Goals**

### Mayor's Vision and Goals

It is Mayor Haslam's vision that the City of Knoxville will be America's premier city in which to live, work and raise a family. In support of this vision, the Administration has four primary goals:

1. Stronger and safer neighborhoods.
2. City services you can count on at a competitive price.
3. An energized downtown; everybody's neighborhood.
4. More and better jobs.

### Community Development Department Goals

To meet the Mayor's goals and vision, the Community Development Department has established the following five goals. Each goal has specific measurable objectives described in the Strategic Plan section of the Consolidated Plan.

1. Promote residential and commercial growth in order to create vitality and new investment in Heart of Knoxville neighborhoods, Brownfields, and redevelopment areas.
2. Promote fairness, accessibility and inclusion through partnerships in order to achieve equal housing opportunities and equal access to community facilities.
3. Create a desirable living environment and stimulate neighborhood revitalization by providing opportunities for safe, decent, affordable housing to low and moderate-income people.
4. Encourage business development, housing growth, job training, and community pride through responsible administration of Empowerment Zone funding.
5. Ensure effective and efficient delivery of community development services by conducting proactive fiscal administration that is accountable to regulatory agencies and community partners.

### **Consolidated Plan Needs and Strategies**

#### Priority Needs

The City undertook its Consolidated Plan process in late 2004 and early 2005. After performing the housing analysis, conducting assessments, and gathering input from local residents and agencies, priorities were set for Knoxville's housing, infrastructure, services, and other needs. These were then grouped into six categories. *(Priorities are not listed in any specific order.)*

1. Neighborhood stabilization – Eliminating blight in neighborhoods, improving sidewalks, addressing problem properties, increasing physical accessibility, improving the visual appeal of neighborhoods in the Heart of Knoxville, and improving local parks, green spaces and community centers.
2. Housing rehabilitation – Renovating deteriorated housing, improving physical accessibility and energy efficiency.
3. Homeownership – Creating opportunities for homeownership, especially in Heart of Knoxville neighborhoods.
4. Providing assistance to homeless or chronically homeless individuals and families.
5. Job creation – Increasing the number of jobs and providing job training or job placement services.
6. Crime prevention and safety – Reducing crime and the perception of crime in Heart of Knoxville neighborhoods.

#### Strategies

To address these needs, seven program areas or strategies were established. (*Strategies are not listed in any specific order.*)

1. Housing programs – Homebuyer education and financing, funds and technical assistance for housing rehabilitation.
2. Fair housing – Investigating housing discrimination complaints and promoting housing opportunity and equality through outreach and education.
3. Blighted property redevelopment – Purchase of blighted houses, commercial structures, or vacant lots, followed by sale for renovation or new construction.
4. Façade improvements – Financing to renovate street-facing exteriors of local businesses.
5. Public improvements – Renovation or new construction of infrastructure and public facilities, physical accessibility improvements.
6. Subrecipient programs – Funding and technical assistance to non-profit and other agencies that provide services that address high priority needs.
7. Neighborhood revitalization strategy area – Activities supporting economic and physical revitalization within the Knoxville Empowerment Zone.

### **Development of Action Plan**

The City of Knoxville's Community Development Department, which is the lead entity responsible for oversight and management of the CDBG, HOME, and ESG programs; developed the 2009 Action Plan after receiving public input and proposals from potential subrecipients as described below.

#### Public Input

A public meeting was held on December 8, 2008 in the community room of the Charles W. Cansler YMCA located at 616 Jessamine Street. This is a centrally located facility that is accessible to persons with disabilities. Publicity for the meeting included issuance of a news release, publication in the *Knoxville News Sentinel*, information on the City website, and mailing announcements to approximately 700 persons or agencies two weeks prior to the meeting.

At the meeting, City staff presented information about the Community Development Department, the annual plan and application process, upcoming mandatory technical assistance workshops, and Consolidated Plan priorities. Participants were asked to comment about perceived community development needs. A list of persons, including agency representation, attending the meeting is included in Appendix B. Comments are included below in the Citizen Participation section.

#### Subrecipient Proposal Process

Applications for CDBG, HOME, and ESG funding were available beginning January 12, 2009 with a submission deadline of 12 noon on February 17, 2009. Notice of funding availability

was posted on the City of Knoxville website and sent by e-mail to the listserv of the Office of Neighborhoods, and the listserv of the East Tennessee Coalition for the Homeless. Due to anticipated level CDBG funding for FY 2009-2010 and no carry-over funds from previous years, the City of Knoxville limited the types of projects it would fund for subrecipient projects to only those that provide specific "essential services" to the community.

Eligible CDBG activities of subrecipients were restricted to the following: housing improvement projects, including emergency home repair and minor home repair; design technical assistance to non-profit and community organizations; and management of the homeless information and tracking system.

All written and verbal communications regarding the proposal process communicated the focus of CDBG funding for FY 2009-2010. Mandatory technical assistance workshops were held on January 23, 2009. Additional technical assistance was provided through phone calls, and electronic mail.

Sixteen applications were received, requesting a total of \$1.5 million. Applications were reviewed by Community Development staff and rated through a process that accounted for *Consolidated Plan* priorities, leveraged funds, community need, and other factors. ESG applications were also evaluated based on objectives established in the *Knoxville-Knox County Ten Year Plan to End Chronic Homelessness*. The Community Development Department Director presented staff recommendations to the City Senior Directors and the Mayor. The recommendations were accepted, pending approval of the Plan by City Council.

### **Enhance Agency Coordination**

In order to improve institutional structure and enhance inter-agency coordination, representatives from the City's Community Development Department participate with many of the coordinating bodies described in the institutional structure section of the *Consolidated Plan*. These include: Partnership for Neighborhood Improvement, East Tennessee Coalition for the Homeless, Affordable Housing Trust Fund Board, Equality Coalition for Housing Opportunity, and East Tennessee Community Design Center. The City is the grantee and fiscal agent for the Empowerment Zone, and staff participates in task forces or committees as necessary to improve services and quality of life within the community.

### **Citizen Participation**

1. Provide a summary of the citizen participation process.
2. Provide a summary of citizen comments or views on the plan.
3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.
4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

\*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

Program Year 5 Action Plan Citizen Participation response:

## **Citizen Participation Process**

As stated under the previous question, a public meeting was held on December 8, 2008 in the community room of the Charles W. Cansler YMCA, located at 616 Jessamine Street. This is a centrally located facility that is accessible to persons with disabilities. Publicity for the meeting included issuance of a news release, publication in the *Knoxville News Sentinel*, information on the City website, posting in the Office of Neighborhood's weekly newsletter, and mailing announcements to approximately 700 persons or agencies two weeks prior to the meeting.

At the meeting, City staff presented information about the Community Development Department, the annual plan and application process, upcoming mandatory technical assistance workshops, and Consolidated Plan priorities. Participants were asked to comment about perceived community development needs. A list of persons attending the meeting and comments received are included in Appendix B.

This draft Action Plan is being released on March 18, 2009 and public comments are solicited through April 17, 2009. A second public meeting to obtain citizen comments on the draft 2009 Action Plan will be held on April 14, 2009 at 5:30 pm in the community room of the Charles W. Cansler YMCA located at 616 Jessamine Street. This is a centrally located site that is accessible for persons with disabilities. Notification of the meeting will be made in compliance with the City's Citizen Participation Plan on the City's website at [www.cityofknoxville.org/development](http://www.cityofknoxville.org/development), published in the Knoxville News Sentinel, sent via e-mail in the Office of Neighborhoods weekly newsletter and mailed to approximately 700 persons. A list of persons attending the meeting will be included in Appendix B in the final plan.

The draft Action Plan is available at the Community Development Department office, Lawson McGhee Public Library, Knoxville-Knox County Community Action Committee, East Neighborhood Center, South Neighborhood Center and on the City's website.

The draft plan will be presented to the Knoxville City Council at a workshop on April 16, 2009 and is scheduled to go before Knoxville City Council for approval on April 21, 2009. The final plan will be submitted to HUD on May 15, 2009.

## **Summary of Citizen Comments**

### **Public Meeting: December 8, 2008**

#### **General**

- 1) A question was raised about how churches and faith-based non-profits participate as partners in HUD-funded programs.
- 2) Concern about funding for all 6 priority goals of the 5-year plan, and for youth and after-school programs.
- 3) Strategic planning is required to identify needs and create programs that can be implemented quickly once new funding is made available by the Obama Administration for issues such as crime prevention, stopping the slide in home values, etc.
- 4) Be creative in solving problems locally. Don't wait on federal funding.



### **Homeless Issues**

- 1) Concern about concentration of homeless shelters and other residential social service programs in fragile, low-income neighborhoods, and the impact on the stability of the neighborhood. In its efforts to use federal funds to stabilize neighborhoods, the City should be mindful that housing for the homeless may have a destabilizing effect on some neighborhoods.
- 2) Observation that some percentage of younger homeless people in East Knoxville seem to be able-bodied, with no apparent problems. What is being done to identify these individuals and extent to which they engage in crime and require services? Are people homeless by choice?
- 3) Concern about the problems of the chronically homeless once they are in permanent supportive housing and their needs for staff support to ensure they are taking medication, etc.
- 4) From a subrecipient: Report and prediction of an increase, due to the recession, in the number of people becoming homeless who have never been homeless. More parents are letting their children live with relatives, due to homelessness. There are more homeless in campgrounds and in cars. And there is a need for additional programs or monies to address this increase.

CAC Homeward Bound has seen a 76% increase in third quarter demand (2008 over 2007) for programs to assist the homeless, jobless, and drug dependent – but has no additional funds to help meet this demand.

- 5) Dissatisfaction expressed with the way elected officials avoid confronting or tackling certain issues. They pick and choose. There is a need for programs to teach the homeless job skills and life skills.
- 6) Requests for a definition of chronically homeless and episodically homeless and cost to the community. Questions about programs for temporary or transitional homeless.
- 7) Suggestion of job-training for residents of Minvilla (& presumably other Permanent Supportive Housing).

### **Public Infrastructure**

- 1) City needs to pay more attention to sidewalks and crosswalks to improve safety and promote an increase in housing values, particularly Magnolia Avenue.

### **Housing and Neighborhood Stabilization**

- 1) More crime prevention needed. Crime has a direct impact on home values. Crime-related reduction in home values feeds into the mortgage and foreclosure crisis.
- 2) After-school programs are important, in part because they reduce crime.
- 3) Suggest that the City implement “tipping point” strategies to address seemingly intractable issues such as crime. Mention of the “broken windows” theory of crime proliferation.

- 4) From a CHDO: CHDOs face increasing difficulties attracting buyers of newly constructed or rehabbed affordable homes. There are 15 houses for sale at the moment. There is a need for assistance with marketing, education & credit counseling, credit repair, etc.
- 5) Job creation is key to moving and selling vacant homes. Without jobs, folks cannot afford to buy homes or keep up with their mortgages.
- 6) Credit education is essential, especially in high schools. Many in the younger generation are ruining their credit early on... will never be able to buy a house.
- 7) One problem for home sellers is the perception – often unjustified – that neighborhoods are too dangerous to live in. Work with media to change perception of these communities. To the extent such perception is justified, City needs to spend money dealing with the reason, e.g. prostitution, crime, etc.
- 8) Suggestion that there are one or more cities in Texas that have developed high-quality, mixed-income, rental senior housing without government subsidies, in part by structuring income, for example, from an adjacent country club.
- 9) Concerns about down payment assistance for new, income-eligible home buyers.
- 10) Foreclosed properties and lack of credit mean that a lot of former homeowners and would-be homebuyers need homes to rent. Suggestions for program funds to assist renters.
- 11) Praise to Community Development for introducing energy efficient and green homes to housing programs. But rehabs should also be considered for green enhancement.
- 12) Suggest that the City give property tax breaks to buyers of new affordable homes and rehabbed homes as a way to overcome reluctance to buy into transitional or marginal neighborhoods. Check out Atlanta's program.
- 13) City could step up other amenities, such as more parks and playgrounds, in these distressed areas.

### **Economy & Environment / Economic Development**

- 1) There are many smaller programs available to address a host of environmental and energy challenges, the solution to which could also help the economy. Global warming and the long-term trend toward less and less rainfall in East Tennessee is one example of a coming environmental catastrophe. "East Tennessee is going to be a desert." "Rain gardens" are just one solution to this one issue. Check out:
  - a) Montgomery County, Maryland's rebate and reimbursement program for homeowners to set up "rain gardens" – collecting rainwater and using for gardens and green spaces.
  - b) Kansas City's "10,000 Rain Gardens" program.
- 2) Promote "green" jobs more diligently.
- 3) Suggest more attention be given to mixed-use developments.
- 4) Suggest incentives to encourage job creation and additional private investment in the Magnolia Corridor.

- 5) Nonprofits need assistance to identify available rental property for their offices.
- 6) Magnolia Avenue area residents and businesses should unite to market themselves.
- 7) Announcement that a new Magnolia Avenue Business Association is being formed.

### **Summary of Comments on Annual Action Plan**

Received via E-Mail  
12/12/08-12/19/08

- 1) There is a need for general improvement and renovation of the city's housing stock. Also, there is a need for much more code enforcement in Knoxville. Property owners should be required to have their properties inspected by the City in order to receive a Certificate of Occupancy, prior to being able to rent them. This is required in other cities and ensures that properties are repaired as needed.
- 2) In light of the housing crisis, temporary zoning changes should be made to allow two unrelated families to live together.
- 3) Groups should "adopt" homeless families in order to provide for their needs and help them get on their feet.
- 4) Knoxville needs affordable (\$300-\$500 per month) rental housing.
- 5) CDBG funding should be used to support small businesses that will bring jobs to the Empowerment Zone. Help is needed with acquisition of real property, relocation and demolition, and business development.

### **Public Meeting: April 14, 2009**

Comments received at the April 14 public meeting are included below.

Several comments were made regarding the Annual Action Plan including:

1. The Annual Action Plan doesn't focus on health or education and other priorities should be considered.
2. Connect Ministries is trying to get funding and wondered how to do this. They did not apply for CDBG or ESG funds covered in the Annual Plan.
3. A question was raised about how the City hires people to make the plans and if any black people are involved.

Several comments were made regarding stimulus funding including:

1. A comment was made regarding the need for support of legal services to residents facing eviction and foreclosure to prevent homelessness.
2. A question was asked regarding what agencies in Knoxville are dealing with the foreclosure problem.

3. Two comments were made regarding the need for foreclosure prevention funding.
4. A question was asked regarding the definition of "homelessness prevention" in reference to HPRP and who made the definition.
5. A comment was made that it would be beneficial for homelessness prevention money be directed to literacy and adult education programs.
6. A question was asked about whether HPRP funds can be used to re-house persons that have experienced foreclosure.
7. A comment was made regarding the need for homeless programs to focus on felons.
8. A comment was made requesting that the City communicate with citizens about other streams of stimulus money.
9. A comment was made regarding the CDBG-R funds that it should be used for the promotion of green jobs, recycling production and environmental activity.
10. A question was raised about the Choice Neighborhood initiative and if there will be citizen participation.

All the comments and questions were recorded, and staff responded to the questions and comments during the meeting.

#### **E-Mail Comments:**

One e-mail comment was received and is included below in its entirety.

We would like to see that after school and youth programs be considered as a City of Knoxville Community Development Department strategy for the "Crime Safety and Prevention" category/priority area for the CDBG grant dollars. Currently, we are aware that the City of Knoxville's crime prevention strategy only includes the acquisition, elimination, or improvement of blighted property as its crime prevention and safety strategy. Particularly, we would like to stress the need for funding for after school/summer youth development programs in the heart of Knoxville neighborhoods. Crime rates committed by juveniles and youth who are victims of crime occur most often during the hours after school when parents are working and youth are left unsupervised (see attachment). After school and summer youth development programs provide a safe place for youth to participate in positive life-enhancing programming that teach youth critical life skills and build youths' resiliency skills, which is one of the strongest methods of crime prevention. More importantly, after school and summer youth development programs provide a positive way for a great number of youth to build a positive, mentoring relationship with a caring, adult professional in their community, which has also been proven through research to be effective in crime prevention both in the short-term and in the long-term, as youth involved in such programs grow up to be responsible, caring, and productive citizens.

Also, we would like for the City to continue directing CDBG funding to the neighborhood stabilization area, particularly for after school and youth programs/centers, which contribute significantly to the stabilization of neighborhoods, making them positive, safe places for its young people. We understand that while this category could include capital improvement for

community centers, such as Boys & Girls Club facilities located in the heart of Knoxville neighborhoods, that current "neighborhood stabilization" projects are only included for housing repairs and assistance. Please consider allowing capital improvement to vital community centers (such as Boys & Girls Club facilities) to be included as a project possibility in future years for the CDBG RFP.

Specifically, we would like to request that the City of Knoxville consider the CDBG Stimulus money to also be used to be used for after school program and youth programs, such as staffing for these programs (which have had to been reduced due to decreased resources from the economic situation) or for capital improvement for community centers, such as Boys & Girls Clubs. While we did receive a letter stating your intent to recommend only currently funded CDBG grantees and projects to receive the stimulus funds, we ask that you reconsider youth programs/ community centers. Boys & Girls Clubs would be able to also complete any application for these funds on the short turn-around time schedule and also be ready to implement any projects in a very quick manner, as is the goal with stimulus funds. We have seen an increase in the number of children in our after school programs due to the economic situation.

Additionally, we do appreciate your offer, as the City of Knoxville, to serve as a partner for other state or federal funds for youth programs and appreciate your willingness to do so. As we seek other funds for youth programs, we will contact you to see about your availability to partner with us for programs, including the President's new Choice Neighborhoods Initiative, you referenced in your letter. Thank you for all your office does in gathering public opinion of community needs that we see and for all you do to assist community agencies in improving the Knoxville neighborhoods for our citizens. We truly appreciate your work.

John D. Lee  
President/CEO

Boys & Girls Clubs of the Tennessee Valley  
220 Carrick Street, Suite 318  
Knoxville, TN 37921

### **Broaden Public Participation**

Various efforts were made to broaden participation in the development of the plan to minorities, non-English speaking persons and persons with disabilities by having the Public Meetings in the evenings and technical assistance workshops during the day at a location that is accessible to persons with disabilities; and through outreach to 700 persons and/or agencies on the City's mailing list. This list includes a variety of organizations that should result in very broad outreach.

### **Explanation of Comments Not Accepted**

N/A

## **Institutional Structure**

1. Describe actions that will take place during the next year to develop institutional structure.

Program Year 5 Action Plan Institutional Structure response:

### **Develop Institutional Structure**

In order to improve institutional structure the City helps build agency capacity by providing technical assistance through project management. Agencies and CHDO's receive assistance in planning, contracting and monitoring of activities. The East Tennessee Community Design Center is funded to provide technical and design assistance to a variety of non-profit and community-based organizations. Additionally, staff participates in task forces or committees as necessary to improve services and quality of life within the community.

## **Monitoring**

1. Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

Program Year 5 Action Plan Monitoring response:

### **Monitoring**

The Community Development Department Director oversees the planning and budgeting process to ensure that, as they are developed, projects are consistent with grant requirements. This planning process also ensures that each funded project is consistent with the *Consolidated Plan* and makes progress toward identified community development objectives.

All subgrantee projects are assigned to a Project Manager or Specialist for oversight, monitoring, and technical assistance. The Community Development Administrator drafts contracts with input from the subgrantee and Project Manager. The City Law Department finalizes the contracts in order to ensure compliance with applicable laws and regulations.

Subgrantees submit quarterly progress reports and a completion report. Reports are reviewed by the Project Manager/Specialist to ensure contract compliance. Funds are typically provided to subgrantees on a reimbursement basis. Reimbursement requests are submitted to the City on a monthly or as-needed basis, and contain supporting documentation for all expenses for which reimbursement is requested. Requests are reviewed, revised (if necessary), and approved by the Project Manager/Specialist, then reviewed and approved by the Community Development Administrator. The Senior Accounting Clerk prepares a check request, which is approved by the Community Development Administrator and Department Director prior to submission to the City Finance Department.

The Community Development Department's Monitoring Plan is followed to assess the level of monitoring required for each subgrantee. Monitoring is scheduled and recorded on the Monitoring Schedule. Subgrantee monitoring is performed on an informal basis, "desk review", through telephone, email, and periodic meetings between City and subgrantee staff. Formal monitoring, "on-site review," is performed on an annual basis (except in the case of low risk subgrantees or projects). Formal monitoring is conducted by the Project Manager and/or Community Development Administrator at the subgrantee's office, and includes review of agency policies, procedures, financial records, and project documentation. A written report is issued following a formal monitoring session. Any findings or concerns that require subgrantee action are followed up on by both the subgrantee and City staff.

For City-operated housing activities, applications for assistance are analyzed by Housing Finance Specialists for compliance with program guidelines. Housing Rehabilitation Specialists provide detailed specifications for ensuring that the activity meets Neighborhood Housing Standards and cost estimates to ensure that construction bids are reasonable and allowable. During the construction process, all activities are monitored by Housing Rehabilitation Specialists for compliance with the terms of the construction contract and Neighborhood Housing Standards. The Housing Manager reviews and approves work and activities during each step of the rehabilitation process – financial analysis, write-up/cost estimate, bid, and construction. The Community Development Administrator periodically conducts in-house monitoring.

Payment for contractor and other housing activity expenses are processed by the Housing Finance Specialists and approved by the Housing Manager and Department Director prior to payment.

The Senior Accounting Clerk oversees the Department's overall expenditures and financial status, and assists the Community Development Administrator in drawing funds from HUD on a regular basis.

Several staff members address special regulatory requirements. The Community Development Administrator and the Assistant Community Development Administrator, who have participated in HUD Environmental Training, handle environmental reviews and the release of funds process. Project Specialists assist with conducting site-specific reviews that are then reviewed by the Community Development Administrator.

For projects requiring procurement and federal labor standards compliance, the assigned project monitor provides technical assistance to the agency performing the project, oversees the bid process, works with contractors, and reviews certified payroll.

Members of the Department's housing staff are certified risk assessors for lead based paint hazards. These staff members perform inspections, testing, assessments, and clearance for homes the City funds through the rehabilitation or other housing programs. When time is available, technical assistance, inspections, and assessments are also provided for CDBG and HOME funded non-profit agencies on an as-needed basis.

The Department Director and the Community Development Administrator implement the City's Citizen Participation plan with assistance from the Neighborhood Coordinator. Community Development staff participate in community forums, neighborhood meetings, and other agencies' planning processes. Additionally, the Office of Neighborhoods, staffed by the Neighborhood Coordinator, provides information and a central point of contact for neighborhood and community organizations.

## Lead-based Paint

1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

Program Year 5 Action Plan Lead-based Paint response:

### Reduction of Lead Based Paint Hazards

The City will continue to implement HUD and state requirements for identification and mitigation of lead based paint hazards in housing. Lead inspections, testing, risk assessments, safe work practices, resident notification, and clearance have all been integrated into the housing rehabilitation programs. When necessary, the City also provides technical assistance to non-profit agencies that are performing housing activities with City CDBG, HOME, or ESG funds. The City also coordinates with Middle Tennessee State University Lead Elimination Action Program (LEAP) by referring eligible families for lead-hazard reduction assistance. These activities reduce the number of housing units with lead paint hazards and increase the City's inventory of lead safe housing for low and moderate-income persons.

## HOUSING

### Specific Housing Objectives

\*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Program Year 5 Action Plan Specific Objectives response:

Table 3 A, Summary of Specific Annual Objectives PY 2009-2010, starts on page 6 and shows the priorities and specific housing objectives the City of Knoxville hopes to achieve during the next year.

Table 2 A, the Priority Housing Needs Table from the Five Year Consolidated Plan, which follows, shows priorities by household size, income and tenure.



**TABLE 2A  
PRIORITY HOUSING NEEDS**

<b>PRIORITY HOUSING NEEDS (households)</b>	<b>Priority Need Level High, Medium, Low</b>	<b>Unmet Need</b>	<b>Goals</b>		
<b>Renter</b>	<b>Small Related</b>	0-30%	H	2185	54
		31-50%	H	1189	58
		51-80%	M	576	60
	<b>Large Related</b>	0-30%	H	280	7
		31-50%	H	230	8
		51-80%	M	155	4
	<b>Elderly</b>	0-30%	H	811	6
		31-50%	H	583	9
		51-80%	M	274	0
	<b>All Other</b>	0-30%	H	4483	23
		31-50%	H	2693	14
		51-80%	M	1054	31
	<b>Owner</b>	0-30%	H	2491	498
		31-50%	H	1983	217
		51-80%	H	2411	112
<b>Special Needs</b>	0-80%	H	2847	20 *	
<b>Total Goals</b>					
<b>Total 215 Goals</b>					
<b>Total 215 Renter Goals</b>					
<b>Total 215 Owner Goals</b>					

\* Special needs numbers are also included in income/family type categories above.

The city will pursue availability and accessibility of decent housing for low-moderate income homeowners and renters through its housing rehabilitation programs and subrecipient home repair programs, through new construction for homeownership by Community Housing Development Organizations, and through assistance to KCDC for replacement of public housing units.

Affordability of decent housing will be pursued to enable low-moderate income renters to become homeowners through downpayment assistance and homeownership training. Also, permanent housing will be made more affordable for the chronically homeless through a CDBG funded Housing First project.

In addition, through Community Development efforts for the sustainability of suitable living environments, affordable decent housing will be made available to lower income households as a result of acquisition, disposition and redevelopment of blighted properties.

Resources to be made available through the Plan will be used for housing priorities as follows: (At this time, these amounts are approximate since HUD has not released the amount of funds allocated to the City of Knoxville)

Housing Rehabilitation - \$763,000 in CDBG and \$1,335,000 in HOME funds for housing rehabilitation projects and programs including the Community Development Department's owner-occupied and rental rehabilitation programs, funding of the Knoxville/Knox County Community Action Committee (CAC) and Neighborhood Housing, Inc. to perform minor and emergency home repairs, and to the disAbility Resource Center to provide ramps to homes where residents are in need of accessibility features.

Homeownership - \$50,000 in HOME CHDO operating funds for homebuyer and credit counseling, and \$300,000 in regular HOME funds to provide downpayment assistance for first-time homebuyers. \$390,715 in HOME funds will be for homeownership opportunities provided through homes constructed by Community Housing Development Organizations (CHDOs).

### **Actions to be Undertaken**

During the 2009-2010 program year, the City of Knoxville will follow the strategies outlined in the *Consolidated Plan* and pursue activities intended to reduce homelessness, foster decent affordable housing, reduce poverty, and otherwise improve our community.

#### Foster and Maintain Decent Affordable Housing

The City will meet this requirement through the following activities:

- Funding and/or operating emergency, minor, and major home improvement programs
- Homeownership assistance through ADDI and HOPE 3
- Housing and credit counseling
- Acquisition of blighted properties for reuse as affordable housing
- Development expenses for Community Development Housing Organizations (CHDOs)
- Funding and overseeing housing-related Empowerment Zone projects
- Pursuing remediation of chronic problem properties
- Conduct fair housing investigations, education, and outreach

In addition to these specific programs, the City will continue to work with non-profit housing providers and public housing agencies and participate in appropriate committees and boards, such as the Affordable Housing Trust Fund Board.

#### Affirmatively Further Fair Housing

The City will continue to address the needs and impediments identified in the September 2005 *Analysis of Fair Housing Impediments*. Activities that will be conducted include:

- City staff investigation and conciliation of complaints related to housing discrimination.
- Counseling and referrals as necessary.
- Education and outreach to residents, housing providers, lenders, and other community members.
- Dissemination of information to the local news media on fair housing and equality issues and activities.
- Participation in training sessions, workshops, and conferences.
- Visible placement of equal opportunity housing logo on relevant City publications and housing programs that use City, CDBG, HOME, and ESG funding.
- Staff support and/or technical assistance to the Equality Coalition for Housing Opportunity, the Council On Disability Issues, Knoxville/Knox County Access To Justice Collaborative, Disability Resource Center, East Tennessee Coalition for the Homeless, and Dr. Martin Luther King Jr. Commemoration Commission.
- Operation and/or funding of programs that promote housing opportunities, such as homeownership education and downpayment assistance, housing improvements, and new housing development.

### **Needs of Public Housing**

1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.
2. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

Program Year 5 Action Plan Public Housing Strategy response:

#### **Improve Public Housing and Resident Initiatives**

City staff reviewed and commented on Knoxville's Community Development Corporation's (KCDC) Five Year and Annual Plans in order to ensure the Plans are consistent with the City's goals and *Consolidated Plan*. The KCDC Plan describes efforts to encourage public housing residents to become more involved in management and participate in homeownership. The City coordinates with KCDC to encourage participation in City-assisted homeownership programs.

KCDC is a high performing agency.

## Barriers to Affordable Housing

1. Describe the actions that will take place during the next year to remove barriers to affordable housing.

Program Year 5 Action Plan Barriers to Affordable Housing response:

### Strategy to Remove Barriers to Affordable Housing

In order to address barriers to affordable housing, the City will pursue the strategies outlined in the Five Year Plan.

**A. Complexity of the Development Process:** The City is marketing an increasing number of parcels through its Homemakers Program. We will be reviewing these parcels for compatibility with the subdivision regulations and correcting many of the more difficult obstacles before transferring them to developers. Small parcels can be combined with others and re-platted into buildable lots of record, reducing the time and cost investment for the developer.

**B. Acquiring and Assembling Inner City Parcels:** The City continues to administer redevelopment areas this year including Mechanicsville, Five Points, Lonsdale, and Vestal. All the areas contain properties that have remained undeveloped or underutilized for several years due to title or environmental problems. The City will acquire abandoned property and clear such problems, offering lots for sale for redevelopment.

**C. Increasing Cost of Development:** New programs are being designed to encourage private investment in older neighborhoods. Previously, incentives targeted to assist and encourage residential development were developed independently from commercial incentives. New policy on redevelopment tries to coordinate residential redevelopment with adjacent neighborhood commercial development so that both come on line at the same time. This serves to support both efforts. The City is encouraging alterations to designs of infill housing that make the new housing fit in better with the older existing homes. Design guidelines have been developed for use in redevelopment areas and for all City subsidized infill houses. This effort includes descriptions and illustrations of low cost modifications builders can make. In the long run, this will help maintain high property values for buyers and should have a substantial impact on neighborhood image and marketability. An I-H Zoning applies the infill guidelines area wide in selected neighborhoods. The City adopted an amendment to the zoning ordinance that makes development of substandard inner city parcels more feasible, reducing the time line and approval process in many cases.

**D. Access to Available Government Programs and Subsidies:** Marketing of the City's programs is being emphasized and new marketing efforts are underway. A listing of available Homemakers properties and EZ Blighted properties are posted on the City web site (<http://www.cityofknoxville.org>). The Office of Neighborhoods sends out a weekly newsletter including information about all City grant opportunities to a listserv of 270 Knoxville residents.

**E. Building Codes:** The City has adopted the International Building Code that contains a chapter "Existing Buildings" allowing designers additional alternatives to meet requirements when renovating older buildings. The Alternative Building Code can be used in the Central Business Improvement District (CBID). This option can make redevelopment of older buildings more practical and less expensive.

## HOME/ American Dream Down payment Initiative (ADDI)

1. Describe other forms of investment not described in § 92.205(b).
2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule.
3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:
  - a. Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
  - b. Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
  - c. State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
  - d. Specify the required period of affordability, whether it is the minimum 15 years or longer.
  - e. Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.
  - f. State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
4. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, please complete the following narratives:
  - a. Describe the planned use of the ADDI funds.
  - b. Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families.
  - c. Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.

Program Year 5 Action Plan HOME/ADDI response:

### **Program Specific Requirements: HOME**

#### Other Forms of Investment

The City does not plan to use forms of investment other than those specified in 24 CFR 92.205(b).

Homebuyer Recapture/Resale Guidelines

The City uses recapture provisions to ensure affordability in the HOME assisted homeownership program. When HOME funds are used to assist homeownership, the housing will be subject to the following affordability period:

- Five years when the per unit HOME investment is under \$15,000
- Ten years when the per unit HOME investment is \$15-40,000
- 15 years when the per unit HOME investment exceeds \$40,000

If the house is sold by the homeowner during the affordability period, the City will recapture HOME funds out of net proceeds as follows:

- The amount of HOME investment to be recaptured will be reduced on a pro-rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period.
- If the net proceeds are not sufficient to recapture the balance owed on the HOME investment as determined above plus enable the homeowner to recover the amount of the homeowner’s downpayment and any capital improvement investment made by the owner since the purchase, the City and the owner will share the net proceeds.
- The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs. The net proceeds will be divided proportionally according to the following formulas:

$$\frac{\text{HOME investment}}{\text{HOME investment} + \text{Homeowner investment}} \times \text{Net proceeds} = \text{Amount of HOME to be recaptured}$$

$$\frac{\text{Homeowner investment}}{\text{HOME investment} + \text{Homeowner investment}} \times \text{Net proceeds} = \text{Amount to Homeowner}$$

A forgivable loan will be used to finance the HOME assistance to the homebuyer. The HOME balance due will be reduced by an equal amount annually during the affordability period. The HOME amount will be completely forgiven if the homebuyer remains the owner and occupant for the full affordability period.

The recapture provision will be enforced through the homebuyers financing agreement with the City, which will be secured by a Deed of Trust.

The recaptured amount of HOME funds will be used for HOME eligible activities.

Resale Requirement

In cases where HOME funds have been provided for the development (development subsidy) of a home, but the homebuyer does not need direct subsidy to make the home affordable, the City must utilize the resale provision. The resale provision may be utilized for home purchases anywhere in the city limits and will be enforced with a HOME Agreement

and Restrictive Covenant. Under the HOME rule certain housing may be presumed to meet the resale restrictions based on a market analysis of the neighborhood in which the housing is located (92.254(a)(5)(i)(B)).

The Lonsdale community, located in the northwest sector of the City, has a housing stock that may be presumed to meet the resale restriction during the period of affordability without the imposition of enforcement mechanisms. The Lonsdale community is a part of Knoxville's Empowerment Zone and was designated a Redevelopment Area in 2005.

An analysis of the housing stock and residents of Lonsdale reflects modestly priced homes and low-income households. The Census 2000 data indicates that the median value of a home in Lonsdale was \$50,700, compared to the overall Knoxville average of \$78,000. The housing stock is older with 74.2% of homes built prior to 1980 and the homes are of modest size. Only 34% of the homes are owner occupied and the City is encouraging homeownership in the area through down payment assistance, development of affordable infill housing, greenway development, new sidewalks and improved transportation and public facilities. The median household income in Lonsdale from the Census data was \$20,969, which represents 46% of median income for a family of four. The Census data is as follows:

**LONSDALE DATA FOR HUD**

	<b>Lonsdale</b>	<b>(%) Share</b>	<b>Knoxville</b>	<b>(%) Share</b>
<b>Value Owner-occupied Units</b>				
less than \$50,000	262	0.49	5,895	0.16
\$50,000 to \$99,999	276	0.51	20,415	0.57
\$100,000 to \$149,000	0		5,437	0.15
\$150,000 to \$199,999	0		1,871	0.05
\$200,000 to \$299,999	0		1,193	0.03
\$300,000 to \$499,999	0		673	0.02
\$500,000 to \$999,999	0		328	0.01
\$1,000,000 or more	0		45	0.00
median value	\$50,700		\$78,000	
<b>Year Structure Built</b>				
1999 to March 2000	18	0.01	1,257	0.01
1995 to 1998	12	0.01	4,550	0.05
1990 to 1994	30	0.02	3,661	0.04
1980 to 1989	453	0.23	9,448	0.11
1970 to 1979	311	0.16	15,073	0.18
1960 to 1969	253	0.13	14,806	0.17
1940 to 1959	685	0.34	25,170	0.30
1939 or earlier	232	0.12	10,932	0.13
<b>Occupied Housing Units</b>	1,768		76,650	
owner-occupied housing units	605	0.34	39,208	0.51
<b>Median Household Income</b>	\$20,969			\$27,492

Notes: All data is from Census 2000.

\* The Lonsdale neighborhood is found within Census Tract 28.

Lonsdale is a community where lower income families may purchase a home without government assistance. An analysis of all single-family homes currently listed for sale through the Knoxville Multiple Listing Service in the Lonsdale area shows an average price of \$63,414 for March, 2009. Monthly mortgage payments on homes in this price range average \$540.00 PITI and are affordable to families earning between 65% to 80% of median, assuming typical FHA mortgage terms.

#### Refinancing of Existing Debt

The City does not intend to use HOME funds to refinance existing debt that is secured by multi-family housing during this program year.

#### Tenant Based Rental Assistance

The City does not plan to use HOME funds for tenant-based rental assistance during this program year.

#### Affirmative Marketing

The City will meet affirmative marketing requirements for HOME assisted projects containing five or more units through the following policy and procedures:

1. The City will inform the public, owners, and potential tenants about Federal Fair Housing laws and the City's Affirmative Marketing Policy through:
  - The City's Fair Housing Program. The City Community Development Department will educate and inform the public of their fair housing rights and options under the City's Fair Housing Ordinance and any other applicable laws. The City also provides counseling and information to citizens regarding rights and remedies under the Fair Housing Law.
  - The equal housing opportunity logo, slogan, or statement will be used in all media announcements, requests for proposals, and informational and application materials.
  - A summary of the policy will be included in informational materials for owners and the policies and procedures will be discussed.
  - Potential tenants will be informed in general through the methods mentioned above.
2. During the required affordability period, owners of housing facilities containing five or more units must:
  - Use the equal housing opportunity logo or slogan in advertising vacant units.
  - Advertise the vacancy in the *Knoxville News Sentinel* if more than four vacancies exist in a project and the owner does not have a sufficient waiting list to fill the vacancies, or list the property with KCDC's list of properties available for Rental Assistance Certificate holders.
  - Inform and solicit applications from persons not likely to apply for the housing without special outreach. This will be done by notifying the Knoxville Area Urban League (KAUL) when it is known that a vacancy will occur and/or provide the unit as a referral for tenants on KCDC's waiting list.
3. In order to document affirmative marketing efforts and results, the following records will be kept:



### Owners

- Data on the racial, ethnic, and gender characteristics of tenants occupying units before rehabilitation, tenants moving from and into units after rehabilitation, applicants for tenancy, and how the applicants heard about the housing opportunities.
- Information regarding applicants for initial occupancy must be provided to the City within 120 days following completion of rehabilitation.
- During the affordability period, owners must keep copies of newspaper advertisements to fill vacancies and information on vacancies. The owner may submit copies of these advertisements directly to the City.

### City

- The racial, ethnic, and gender characteristics of owners of projects rehabilitated and applicants for HOME funds.
- Data indicating the race and ethnicity of households displaced as a result of program activities, and if available, the address and census tract of the housing unit to which each displaced household relocated.
- Copies of advertisements or meeting notices that the City places in the newspaper or relevant articles appearing in the paper.
- Samples of informational materials.

#### 4. Effectiveness of the City's affirmative marketing efforts will be assessed as follows:

- To determine if good faith efforts have been made, owners will be asked to provide information and documentation on the efforts they have taken regarding vacancies and affirmative marketing for the past year at the time of the annual review of rental activities. If the City determines that the required actions have been carried out, the City will assume that the owners have made good faith efforts to carry out these procedures.
- To determine results, the City will assess property owner's affirmative marketing efforts in relation to whether or not minority and female headed households have applied for and/or become tenants in the rehabilitated units. If the City determines that they have, the City will assume that owners have carried out affirmative marketing procedures effectively.

If different racial, ethnic, and gender groups are not represented, the City will review the owner's affirmative marketing procedures to determine what changes, if any, may be made to improve effectiveness.

#### 5. The City will take corrective action if it finds that an owner has not made a good faith effort to carry out the affirmative marketing procedures or fails to maintain the required records on tenants and applicants for tenancy. If, after discussing with the owner ways to improve procedures, the owner continues to fail to meet the affirmative marketing requirements, the City will disqualify the owner from future participation in the HOME Program.

The City will carry out its assessment activities and will complete a written assessment of affirmative marketing efforts in time to report the results in its annual performance report to HUD.

#### Minority and Woman Owned Business Outreach

The City will meet the requirements of 24 CFR 92.350 for establishing and overseeing a minority and women's business outreach program through the following policies and procedures.

By policy, the City prohibits discrimination against any person in pursuit of business opportunities on the basis of race, color, national origin, religion, sex, age, disability or veteran status. It is also City policy to provide minorities, women, and small businesses equal opportunity for participating in all aspects of the City's contracting and procurement programs, including but not limited to construction, development projects, procurement, professional services and lease agreements. In support of this, the City operates the Equal Business Opportunity Program, which is essentially an outreach program targeted to increase minority and female participation in government contracting.

Additionally, the Community Development Department will carry out the following activities to ensure the inclusion, to the maximum extent possible, of minorities and women in all contracting activities entered into by the City to facilitate the provision of affordable housing under the National Affordable Housing Act or any other applicable federal housing law:

1. Maintenance of a bid registry that includes minority- and woman-owned business enterprises (M/WBE) participating in the housing rehabilitation program. Local agencies, such as the State of Tennessee Office of Minority Business Enterprise and Knoxville Area Urban League have been informed of the City's bid process and have been encouraged to refer minority firms to the City's rehabilitation programs. Property owners who do not act as their own contractor or who have not selected a contractor on their own obtain bids for the rehabilitation work from contractors on the bid solicitation list.
2. All general contractors are encouraged to utilize M/WBE when subcontracts are let and to take affirmative steps to do so. Provisions describing appropriate actions are made a part of each construction agreement. The Department continually seeks to increase the total number of qualified M/WBEs on the bid solicitation list.
3. Community Development provides informational materials (fact sheets, program guides, brochures, etc.) about housing and development related contracting opportunities for M/WBEs. These materials are sent to local trade, nonprofit, education (Pellissippi State) and small business organizations located in Knox County.
4. The City will place a notice in the *Knoxville News-Sentinel* describing the availability of contracting opportunities through the Housing Rehabilitation bid registry and stating the City's commitment to assure equal opportunity for contracting opportunities/ for M/WBEs. A copy will be sent to local trade, nonprofit and small business organizations.
5. Notices of announcements for HOME and other housing related activities will be sent to appropriate community, trade, and nonprofit organizations throughout Knox County when formal advertising is required.

6. The Community Development Department will participate in and/or conduct M/WBEs business opportunity-related meetings and seminars upon request.
7. Community Development will maintain records on the steps taken to implement outreach activities to minority-owned and female-owned businesses including data on racial/ethnic or gender character of each business entity receiving a contract or subcontract of \$25,000 or more paid, or to be paid, with HOME funds; the amount of the contract or subcontract, and documentation of affirmative steps to assure that minority business and women's business enterprises have as equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction, and services.

#### Minority Homeownership

The City anticipates that 40% of households assisted with HOME and/or ADDI homeownership assistance will be minorities.

#### Matching Funds

Match funding for the HOME Program has been provided primarily from the State of Tennessee HOUSE Program and the THDA Local Match Program. The City currently has match in excess of the match requirement. Additional match may be provided with HOUSE program income and HOPE3 sales proceeds.

#### **Program Specific Requirements: ADDI**

There are no ADDI funds allocated in the 2009-10 program year. Home funds will be used to provide down-payment assistance for income eligible home buyers.

## HOMELESS

### Specific Homeless Prevention Elements

\*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Sources of Funds—Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction's plan for the investment and use of funds directed toward homelessness.
2. Homelessness—In a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.
3. Chronic homelessness—The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2012. Again, please identify barriers to achieving this.
4. Homelessness Prevention—The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.
5. Discharge Coordination Policy—Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.

Program Year 5 Action Plan Special Needs response:

#### Sources of Funds

In addition to receiving ESG funds on an entitlement basis, the City Community Development Department works closely with the East Tennessee Coalition for the Homeless to secure McKinney-Vento Homeless Assistance Act programs for local homeless service providers. The City coordinates the application process for the Continuum of Care Homeless Assistance. Funds received through this process go directly to the grantee agency.

Funding available through the Action Plan will be used to address the priority need of persons who are homeless or chronically homeless as follows:

Assistance to the Homeless - \$110,000 in CDBG funds will supplement the City's \$82,740 ESG allocation to provide assistance to the homeless. Homeless service providers that will provide services or make shelter improvements with this funding include the CAC Homeward Bound Program, Child and Family Tennessee for the Family Crisis Center, Volunteer Ministry Center Day Resource Center, Knoxville Area Rescue Ministry – Crossroads Welcome Center, Salvation Army Shafer Family Center, and the YWCA Transitional Shelter Residence Program. In addition, CDBG funds will support the University of Tennessee Homeless Management Information System (HMIS). Additionally, CDBG funds

will support the Housing First strategy of the Mayors' Ten Year Plan to End Chronic Homelessness through property rehabilitation for permanent supportive housing. These activities will meet the specific objectives of Decent Housing through Availability/Accessibility and Affordability. See Table 3 A, Summary of Specific Annual Objectives, DH1.6 and DH2.2 for detail on page 8 and 9.

### **Homelessness and Chronic Homelessness**

During the 2005 fiscal year, the City was a partner in completing the *Knoxville-Knox County Ten Year Plan to End Chronic Homelessness*. During the upcoming fiscal year, the City will continue to pursue the strategies identified in this Plan. These strategies are:

1. Move People into Housing First
2. Stop Discharging People into Homelessness
3. Increase Coordination and Effectiveness of Service
4. Increase Economic Opportunities
5. Implement New Data Collection Methods
6. Develop Permanent Solutions
7. Strengthen Partnerships with Faith-Based Organizations
8. Recognize Homelessness as a Community Challenge
9. Prevent Homelessness

The complete *Knoxville-Knox County Ten Year Plan to End Chronic Homelessness* is available at <http://www.cityofknoxville.org/development/homeless10yrplan.pdf> . Specific activities that will be undertaken include: participating in the East Tennessee Coalition for the Homeless, coordinating the application process for Continuum of Care funding, and providing ESG funding and technical assistance for agencies providing services to homeless persons. The City will also provide CDBG funding for the Knoxville HMIS database. In addition, CDBG and NSP funds will be provided to support a new, permanent housing program for the chronically homeless. Finally the City will continue to provide previously allocated CDBG and NSP funding to the Volunteer Ministry Center for the renovation of the Fifth Avenue Motel for use as a 58 unit permanent supportive housing facility for homeless persons. This project was budgeted and initiated in the 2005 fiscal year and is expected to be completed in late 2010.

### **Homeless Prevention**

To help prevent homelessness, the Annual Plan includes a portion of the ESG funding to CAC Homeward Bound to assist families facing homelessness with emergency rent payments. Additionally, Volunteer Ministry Center will be provided some ESG funds for homeless prevention activities such as rent payments.

### **Discharge Coordination Policy**

Discharge Coordination Policy - The Director of the Ten Year Plan Implementation Office served in the past year as co-chair of the Homeless Coalition's Discharge Planning Committee, which developed a strategy of short- to mid-term solutions to decrease the incidence of institutional discharge resulting in homelessness. That strategy is primarily being implemented through Knox Area Rescue Ministries' newly-opened Crossroads Welcome Center. KARM is working with the Sheriff's Office and mental health organizations to facilitate coordinated discharges to the Welcome Center in order to help affected individuals upon institutional discharge to connect as quickly as possible with Welcome Center resources that can help them move out of homelessness.

The long-term local solutions to institutional discharge will be addressed as part of a comprehensive planning effort currently under way. The Ten Year Plan Office is working with

local service providers to develop and implement a new community-wide homeless services model that is intentional about moving people from homelessness to housing as quickly and effectively as possible. This new model under development will be designed to help homeless individuals take the shortest route through the system to reach stable housing. Consideration of those discharged from jail and mental health treatment programs will be included as part of this systems design process, making discharge coordination a part of the larger strategy to reduce and end homelessness.

Ultimately, the most significant changes in this system as well as the foster care and criminal justice systems will require policy changes on the state level. The Ten Year Plan Implementation Office continues to participate in the Governor's Interagency Council on Homelessness, and is using that venue to advocate for creation and adoption of a state homeless plan which comprehensively addresses the issue of discharge coordination by making the state-level long-term policy and budgetary changes required to cease institutional discharge resulting in homelessness.

### **Emergency Shelter Grants (ESG)**

(States only) Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.

Program Year 5 Action Plan ESG response:

#### **Program Specific Requirements: ESG**

Applications for ESG funding were due on February 17, 2009. Potential applicants were notified of available funding by mail, through the City website, and via meetings and the listserv of the East Tennessee Coalition for the Homeless. Nine applications were received, requesting a total of \$225,387. Applications were evaluated by City staff based on *Consolidated Plan* priorities, leveraged funds, objectives established in the *Knoxville-Knox County Ten Year Plan to End Chronic Homelessness*, and other criteria.

All agencies using ESG funds through the City are required to provide a 1:1 match in the form of cash or in-kind donations.

## **COMMUNITY DEVELOPMENT**

### **Community Development**

\*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.

2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

\*Note: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

Program Year 5 Action Plan Community Development response:

### **Priority Non-Housing Community Development Needs**

Table 2B, the Priority Non-Housing Community Development Needs Table from the Five Year Consolidated Plan, is on page 44 and contains a summary of priority non-housing community development needs eligible for assistance by CDBG eligibility category; i.e. public facilities, public improvements, public services and economic development. The priority levels were established based upon the results of our community development surveys, review of public input, information received in consultations with other agencies and other City departments, and funding availability. Needs identified as High Priority are included in the City's highest priority needs described above and should expect to have funding allocated to them during the time period covered by this Consolidated Plan. Needs identified as Medium Priority will have funding allocated to them if there is sufficient funding available; the City will generally provide certifications of consistency for applications for grant funds to address these needs. Needs identified as Low Priority are not expected to receive funding through the Consolidated Plan; the City will consider providing certifications of consistency for applications for grant funds to address these needs.

### **Community Development Objectives**

As previously identified, the City anticipates a total CDBG budget of \$1,979,844 for the 2009-2010 program year. This includes \$1,879,844 in newly allocated funds, \$0 in carryover from prior year funds, and \$100,000 in program income. No income is anticipated from float-funded activities. The City does not plan to fund any urgent need activities.

The City plans to allocate its 2009 CDBG, HOME and ESG funds among its Non-housing/Homeless priorities as follows: (The amounts below are approximate.)

Neighborhood Stabilization - \$431,844 in CDBG funds for neighborhood stabilization projects including funding for the East Tennessee Community Design Center to provide technical assistance, and to Community and Economic Development projects including property acquisition activities.

Fair Housing - The Community Development Department estimates it will receive \$40,000 in Fair Housing Assistance program funds for its Fair Housing Assistance Program. These funds will be supplemented with CDBG administrative funds.

Administration and Staffing - \$395,000 in CDBG funds and \$174,000 in HOME funds are allocated for planning and administration expenses. In addition, \$380,000 in CDBG funds is allocated for staffing and operations for City CD administered housing programs.

Table 3 A, Summary of Specific Annual Objectives PY 2009-2010, starting on page 6, shows the priorities and specific housing objectives the City of Knoxville hopes to achieve during the next year using its CDBG funds, as well as HOME and ESG funds.

Each specific objective developed to address a priority need is identified by number and contains proposed accomplishments, and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction. Each objective is linked to a Consolidated Plan priority.

**FROM TABLE 2B  
COMMUNITY DEVELOPMENT NEEDS**

<b>PRIORITY COMMUNITY DEVELOPMENT NEEDS</b>	Priority Need Level High, Medium, Low, No Such Need	<b>PRIORITY COMMUNITY DEVELOPMENT NEEDS</b>	Priority Need Level High, Medium, Low, No Such Need
<b>PUBLIC FACILITY NEEDS</b> Those marked <u>H</u> are high priority where they contribute to Neighborhood Stabilization and eliminating blighting conditions within neighborhoods		<b>PUBLIC SERVICE NEEDS</b>	
Neighborhood Facilities	<u>H</u>	Disability Services	M
Parks and/or Recreation Facilities	<u>H</u>	Transportation Services	M
Health Facilities	M	Substance Abuse Services	M
Parking Facilities	L	Employment Training	M
Solid Waste Disposal Improvements	L	Health Services	M
Asbestos Removal	L	Other Public Service Needs	M
Non-Residential Historic Preservation and abating other problem properties	<u>H</u>	<b>ANTI-CRIME PROGRAMS</b>	
Other Public Facility Needs Reduce Accessibility Deficiencies	<u>H</u>	Crime Awareness	M
<b>INFRASTRUCTURE</b>		Other Anti-Crime Programs	<u>H</u>
Water/Sewer Improvements	M	<b>YOUTH PROGRAMS</b>	
Street Improvements Street Lighting	<u>H</u>	Youth Centers	M
Sidewalks	<u>H</u>	Child Care Centers	M
Sewer Improvements	M	Youth Services	M
Flood Drain Improvements	M	Child Care Services	M
Other Infrastructure Needs	M	Other Youth Programs	M
<b>ECONOMIC DEVELOPMENT</b>		<b>SENIOR PROGRAMS</b>	



Rehab; Publicly- or Privately - Owned Commercial/Industrial	<b>H</b>	Senior Centers	M
CI Infrastructure Dev.	M	Senior Services	M
Other Commercial/Industrial Improvements	M	Other Senior Programs	M
Micro-Enterprise Assistance	M	<b>PLANNING</b>	
ED Technical Assistance	M	Planning	H
Other Economic Development Job Creation and training within Heart of Knoxville	<b>H</b>		

## Antipoverty Strategy

1. Describe the actions that will take place during the next year to reduce the number of poverty level families.

Program Year 5 Action Plan Antipoverty Strategy response:

### **Reduce the Number of People Living Below the Poverty Line**

In the 2009 fiscal year, the City will continue to provide Empowerment Zone funding and oversight to job training, business development, and economic development projects. In addition to these activities, ESG funds will be used to place homeless in permanent housing. CDBG funds will be used to assist in the development of Housing First projects for the chronically homeless. HOME and ADDI funds will be used to assist families to build wealth by becoming home owners.

## NON-HOMELESS SPECIAL NEEDS HOUSING

### **Non-homeless Special Needs (91.220 (c) and (e))**

\*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Program Year 5 Action Plan Specific Objectives response:

### **Non-homeless Special Needs**

The City will meet special needs priorities through programs to make decent housing and a suitable living environment available and accessible.

The City will assist other persons with special needs by funding and/or operating several home improvement programs, including a ramps and rail project, and providing funding assistance to the East Tennessee Design Center, which provides technical assistance and design work to a wide range of non-profit agencies and community groups.

### **Housing Opportunities for People with AIDS - NA**

\*Please also refer to the HOPWA Table in the Needs.xls workbook.

1. Provide a Brief description of the organization, the area of service, the name of the program contacts, and a broad overview of the range/ type of housing activities to be done during the next year.
2. Report on the actions taken during the year that addressed the special needs of persons who are not homeless but require supportive housing, and assistance for persons who are homeless.

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3. Evaluate the progress in meeting its specific objective of providing affordable housing, including a comparison of actual outputs and outcomes to proposed goals and progress made on the other planned actions indicated in the strategic and action plans. The evaluation can address any related program adjustments or future plans.
  4. Report on annual HOPWA output goals for the number of households assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRO dwellings, where funds are used to develop and/or operate these facilities. Include any assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.
  5. Report on the use of committed leveraging from other public and private resources that helped to address needs identified in the plan.
  6. Provide an analysis of the extent to which HOPWA funds were distributed among different categories of housing needs consistent with the geographic distribution plans identified in its approved Consolidated Plan.
  7. Describe any barriers (including non-regulatory) encountered, actions in response to barriers, and recommendations for program improvement.
  8. Please describe the expected trends facing the community in meeting the needs of persons living with HIV/AIDS and provide additional information regarding the administration of services to people with HIV/AIDS.
  9. Please note any evaluations, studies or other assessments that will be conducted on the local HOPWA program during the next year.

Program Year 5 Action Plan HOPWA response:

N/A Knoxville is not a HOPWA grantee.

#### **Specific HOPWA Objectives - NA**

Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the Action Plan.

Program Year 5 Specific HOPWA Objectives response: - **NA**

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## Other Narrative

### **Affirmatively Further Fair Housing**

The City will continue to address the needs and impediments identified in the September 2005 *Analysis of Fair Housing Impediments*. Activities that will be conducted include:

- City staff investigation and conciliation of complaints related to housing discrimination.
- Counseling and referrals as necessary.

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- Education and outreach to residents, housing providers, lenders, and other community members.
  - Dissemination of information to the local news media on fair housing and equality issues and activities.
  - Participation in training sessions, workshops, and conferences.
  - Visible placement of equal opportunity housing logo on relevant City publications and housing programs that use City, CDBG, HOME, and ESG funding.
  - Staff support and/or technical assistance to the Equality Coalition for Housing Opportunity, the Council On Disability Issues, Knoxville/Knox County Access To Justice Collaborative, Disability Resource Center, East Tennessee Coalition for the Homeless, and Dr. Martin Luther King Jr. Commemoration Commission.
  - Operation and/or funding programs that promote housing opportunities, such as homeownership education and downpayment assistance, housing improvements, and new housing development.

Additionally, CDBG funds of \$12,000 will be provided to the DisAbility Resource Center to construct ramps and other home modifications to enable housing accessibility for persons with disabilities.